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FOR IMMEDIATE RELEASE

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**Governor Barbour Seeks Additional Funds
for Community Revitalization Grants**

(Jackson, Mississippi) - Mississippi is seeking federal approval to pump an additional \$150 million into a grant program designed to help local governments rebuild towns ravaged by Hurricane Katrina.

Governor Haley Barbour said the U.S. Department of Housing and Urban Development has been asked to approve the state's request to transfer the funds from a \$5.6 billion disaster recovery allocation into the Community Revitalization Grant Program. The funds would be in addition to more than \$104 million already approved for local governments in declared disaster counties.

"This request is another important step in our continuing efforts to help local governments rebuild infrastructure and revitalize community resources destroyed by the hurricane, which will help attract and retain new jobs," Governor Barbour said. "Projects completed through this program will help not only those cities and counties that experienced direct, storm-related damage, but also those that have experienced unanticipated growth in population due to the relocation of people to inland areas."

The Community Revitalization Grant Program is managed by the Mississippi Development Authority and the program's action plan will be available for public comment on the agency's Web site, www.mississippi.org.

Under the state's plan, a minimum of \$75 million would be allocated to local governmental units in the lower six counties -- George, Hancock, Harrison, Jackson, Pearl River and Stone, Counties. Up to \$75 million would be allocated to the remaining GO-Zone/Presidentially-Declared Disaster Counties and, from that amount, \$30 million would be awarded to small governments. Small governments are cities with a 2000 Census of 3,500 or fewer and counties with a 2000 Census of 10,000 or fewer.

While awaiting HUD approval, MDA will begin taking applications for projects. The application format will be available at

www.mississippi.org. MDA will announce workshops to assist local communities in completion of the program application.

The state's new initiative in the Community Revitalization grant program comes after a May 9 announcement by Governor Barbour approving more than \$97.2 million in grants to help with post-Katrina revitalization projects in 15 coastal communities, and \$7.2 million in grants to help communities plan for new growth and development.

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